

5
351.7232
L72nmc^{ar}
1972

STATE DOCUMENTS

APR 18 77

STATE DOCUMENTS

NORTHERN MONTANA COLLEGE
AUDIT REPORT
JUNE 30, 1972

APR 3 77

DOUGLAS F. EIGEMAN & CO.
CERTIFIED PUBLIC ACCOUNTANTS
GREAT FALLS, MONTANA

Montana State Library



3 0864 1006 3795 1



STATE OF MONTANA
Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59601

October 12, 1972

The Legislative Audit Committee
of the Montana State Legislature:

Transmitted herewith is the report on the audit of Northern Montana
College for the fiscal year ended June 30, 1972.

The audit was conducted by the public accounting firm of Douglas F.
Eigeman & Co., C.P.A.'s, of Great Falls, under a joint contract be-
tween the firm, the college, and our office. Pursuant to the contract
provisions, the report has been directed to the Office of the Legis-
lative Auditor as the firm's client.

A separate audit report is being issued on the college's revenue
bonds.

The comments and recommendations contained in this report have been
discussed with the president of the college and the college treasurer.

We wish to thank the president and his staff for their cooperation
and assistance.

Respectfully submitted,

A handwritten signature in dark ink, reading "Morris L. Brusett".

Morris L. Brusett
Legislative Auditor

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

T A B L E O F C O N T E N T S

	<u>Page Number</u>
Management Letter	1-5
Auditor's Report	6
Balance Sheet - Exhibit A	7-10
Statement of Income and Expenditures - Exhibit B	11-12
Cash Held Locally - Schedule A-1	13-18
Investments - Schedule A-2	19
Summary of Changes in Current-Unrestricted Fund Balances - Schedule A-3	19
Summary of Changes in Current-Restricted Fund Balances - Schedule A-4	20
Reconciliation of Loan Fund Balances - Schedule A-5	20
Summary of Changes in Plant Fund Balances - Schedule A-6	21
Summary of Changes in Invested in Plant Fund Balances - Schedule A-7	21
Summary of Changes in Retirement of Indebtedness Fund Balances - Schedule A-8	22
Summary of Changes in Agency Fund Balances - Schedule A-9	22
Notes to Financial Statements	23
College Work-Study Report	24
Summary of College Work-Study Fund Transactions	25

NORTHERN MONTANA COLLEGE

AUDIT REPORT

JUNE 30, 1972

DOUGLAS F. EIGEMAN & COMPANY

Certified Public Accountants

Post Office Box 2749

GREAT FALLS, MONTANA 59401

HOLIDAY VILLAGE

PHONE 453-2463

October 3, 1972

State of Montana
Office of Legislative Auditor
Helena, Montana 59601

Gentlemen:

During our recent examination and audit of the financial statements of Northern Montana College we became familiar with the procedures and policies which related to the record keeping of that institution. The staff of the business office is responsible for processing a tremendous amount of transactions, together with other duties which we feel they perform in an adequate manner. However, we request that the following recommendations be considered by the administration of the college. These recommendations will increase the efficiency of the business office and provide a better accounting system.

Data Processing We do not feel that the College is utilizing the data processing equipment which it has available. We recommend that all general journal and general ledger bookkeeping be converted to data processing.

Our review indicated that all of the original entry bookkeeping can be adapted to the data processing equipment now being leased. Some of this information is already programmed, but it is used only on a memorandum basis.

Should the decision be made to convert to machine accounting, we urge that a good deal of time be allowed for the conversion and that additional help be employed. With a basic knowledge of the responsibilities of the business office, we think that once data processing is being utilized fewer total hours will be required by the personnel of that office. Furthermore, we feel that better records would be kept on a more timely basis.

Record Retention A system for transfer and disposal of old records is greatly needed by the College. In most cases it is necessary that only one previous year of records be readily available. We would recommend

that discretion be made in transferring some of the information to storage, but we definitely feel that much of the information which is being maintained is unnecessary.

Old ledger sheets should be removed from the general ledgers and placed into a transfer ledger. Old transfer ledgers should be placed into storage. Many of the files in the vault are in poor order and should be cleaned out and only pertinent data be currently retained.

Unnecessary storage items must be destroyed. This situation should be reviewed on an annual basis.

Monthly and Annual Reports We feel that too much information is being contained in the annual audit report prepared by the College. The report should be reviewed and much of the detail deleted in future years. Furthermore, we feel that a statement of the changes in fund balances should be prepared as a part of this report and tied into the balance sheets which are presented.

We feel that the typing of monthly reports and bank reconciliations takes more time than is justified. We recommend that preformed monthly financial statements be prepared and that they be completed in pencil once the general ledger is closed for the month.

Accrual Basis Accounting We recommend that all of the records of the College be maintained on a full accrual basis. At this time we would classify the accounting as partly accrual and partly cash.

To comply with the requirements of the State Treasurer it will be necessary to establish procedures to record all transactions on the accrual basis. Eventually, this should be implemented on a monthly basis and included on the monthly reports

Investment Classification The College presently has enough investments to justify the accounting of these investments in a subsidiary ledger. We recommend that such a ledger be established and maintained.

┌ Investment Decisions It is our recommendation that the College utilize the services of the State of Montana to manage its investments. By doing this, the College should recognize a greater yield on its investments.
└

Student Loan Accounting The books are being kept on a basis which allows the various reports for governmental agencies to be readily completed from the general ledger. We recommend that the income and expense accounts which are left open from year to year be closed into the particular fund account for which they relate.

We do not feel that the general ledger is the place to accumulate memorandum data. All income and expense accounts should be closed on an annual basis.

Inventory of Physical Assets A system for maintaining a perpetual inventory of physical assets should be established. This system should include all the properties of the College and should be tied into the accounting records.

We realize that this will require the budgeting of funds. However, once this system is established it should be maintained at a less costly annual expense. The material amount of the cost of physical assets should make the establishing of this system of utmost importance.

State Treasurer as Trustee of Sinking Funds Information is not being received by the College to allow it to timely post the transactions of the bond sinking fund which is being administered by the State Treasurer. We recommend that the situation be corrected to allow the various agencies to get timely reports when the State Treasurer acts as a trustee of funds.

┌ First National Bank of Helena as Trustee of Sinking Funds We found
that quarterly reports are made available to the College from the First
National Bank of Helena, trustee for a bond sinking fund. However, the
information contained in these reports is not maintained on a current
basis by the College and is instead recorded by adjustments at various
times. We feel that the College should devote more time to scrutinizing
the transactions of this trustee. A greater yield can be obtained from
investments if funds are advanced at planned intervals. Presently
transfers are made only at times when it is necessary to cover coupon
and interest payments.
└

In our bond report to the College we included detailed reports of the performance on the sinking fund. We feel that similar reports should be prepared internally by the College.

Substitute Cashiers Fund At times when the cashier is away from her desk other employees of the business office will make cash transactions through the funds assigned to the cashier. We recommend that only one person be allowed to act as the daily substitute cashier and that a separate cash fund be provided to this person.

At the close of the day the substitute cashier could clear the items from her cash fund into that of the cashier.

Cutoff of Cash Receipts The books were left open to record cash receipts deposited through July 13, 1972. This distorted the cash on hand at year end by \$35,515.23.

In the future we recommend that the books be closed at June 30th, and deposits received after that date be recorded in the following year. No deposits were made in July that affected income of fiscal year 1972.

Quality of Checks The paper quality of the checks being used is very poor. Specifications for a better stock of paper should be made when reordering checks.

Numbering of Checks and Receipts In the future when it becomes time to order new checks or receipts we advise the use of alpha rather than merely utilizing numbers. By planning the assignment of prefixes there would not be a duplication of numbers as often as is now occurring. Should data processing be adopted it will be no problem to list these items with their alpha digits first.

Old Outstanding Checks The College is consistently voiding all outstanding checks which are over eighteen months old at the end of the year. To comply with instructions from the State Treasurer it is pointed out that all checks over twelve months old should be voided. This should be done on a monthly basis.

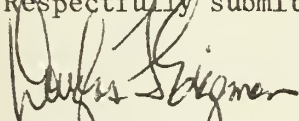
Cash Over and Short "Cash Over and Short" accounts should be added to the general ledger. Variations in cash accounts should be recorded in these accounts and all cash should be deposited intact.

Short Term Loans We recommend that the various short term loan accounts be deleted from the books and replaced by two new accounts; "Short Term Loans - Restricted" and "Short Term Loans - Unrestricted".

This change would improve the record keeping in this area by simplifying present procedures.

The entire staff of the College from the president's office on down, cooperated with the auditors in every way possible. At all times we found the personnel of the College to be conscientious, hard working and punctual. We greatly appreciated the courtesies they extended to us.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Douglas F. Eigeman". The signature is written in a cursive, somewhat stylized script.

Douglas F. Eigeman
DFE/bc

NORTHERN MONTANA COLLEGE

AUDIT REPORT

JUNE 30, 1972

DOUGLAS F. EIGEMAN & COMPANY

Certified Public Accountants
Post Office Box 2749
GREAT FALLS, MONTANA 59401

HOLIDAY VILLAGE

PHONE 453-2463

October 3, 1972

State of Montana
Office of Legislative Auditor
Helena, Montana

We have examined the balance sheet of Northern Montana College as of June 30, 1972, and the related statement of income and expenditures for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as noted below.

The internal control of plant assets is weak as explained in Note 3. Therefore, we were unable to physically inventory plant assets and are unable to express an opinion as to the fairness of their representation in this audit report.

In our opinion, the accompanying balance sheet and statement of income and expenditures present fairly the financial position of Northern Montana College at June 30, 1972, except as noted above, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles for colleges applied on a basis consistent with prior years.

Douglas F. Eigeman & Co.

NORTHERN MONTANA COLLEGE

BALANCE SHEET

JUNE 30, 1972

ASSETS

Exhibit A

CURRENT FUNDS

Unrestricted

Cash Held Locally	50,545.51
Cash in State Treasury	553,069.51
Contingent Revolving Fund Receivable	1,694.81
Investments	13,470.67
	<u>618,780.50</u>

Restricted

Cash Held Locally	127,574.85
Accounts Receivable	23,065.10
Investments	170,825.00
Inventories	47,116.53
	<u>368,581.48</u>

LOAN FUNDS

Cash Held Locally	9,893.05
Loans Receivable	348,421.52
	<u>358,314.57</u>

PLANT FUNDS

Unexpended

Cash Held Locally	481.57
Cash in State Treasury	5,140.17
Receivable from State Treasury	194,431.77
Investments	30,128.62
	<u>230,182.13</u>

Retirement of Indebtedness

Cash Held Locally	1,634.18
Cash in State Treasury	60,215.65
Cash in Trustee Bank	9,646.97
Investments	499,096.12
	<u>570,592.92</u>

LIABILITIES AND FUND BALANCES

Accrued Accounts Payable	71,055.30
Deferred Credits	122,041.70
Fund Balances	425,683.50
	<u>618,780.50</u>

Accounts Payable	14,594.11
Accrued Liabilities	17,580.11
Fund Balances	336,407.26
	<u>368,581.48</u>

Accounts Payable	950.00
Fund Balances	357,364.57
	<u>358,314.57</u>

Interim Loan Payable	1,645,200.00
Fund Balances	(1,415,017.87)
	<u>230,182.13</u>

Liability to State Treasurer	1,017.47
Building Fees Due Sinking Fund	82,196.71
Fund Balances	487,378.74
	<u>570,592.92</u>

NORTHERN MONTANA COLLEGE

BALANCE SHEET

JUNE 30, 1972

ASSETS

Exhibit A

PLANT FUNDS (continued)

Investment in Plant (Note 2)

Land and Land Improvements	297,482.03
Buildings	9,024,894.08
Scientific Apparatus	476,726.50
Library and Reference Books	432,572.68
Furniture and Fixtures	374,284.19
Machines and Appliances	371,123.14
Motor Vehicles	50,417.31
Museums and Collection	11,854.06
	<u>11,039,353.99</u>

AGENCY FUNDS

Cash Held Locally	118,552.37
Accounts Receivable	35,621.95
Investments	36,966.18
	<u>191,140.50</u>

LIABILITIES AND FUND BALANCES

Bonds Payable Locally	2,169.92
Bonds Payable through State Treasury (Note 3)	321,000.00
Bonds Payable through Trustee Bank	1,712,000.00
Fund Balances	9,004,184.07

11,039,353.99

Accounts Payable	100.00
Fund Balances	191,040.50

191,140.50

NORTHERN MONTANA COLLEGE
STATEMENT OF INCOME AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1972

Exhibit B

	<u>Current Funds</u>		
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<u>Current Income:</u>			
Educational and General:			
Student Fees	343,561.92	34,357.00	377,918.92
Governmental Appropriations	1,646,131.00		1,646,131.00
Other Sources	63,640.27		63,640.27
Total Educational and General	<u>2,053,333.19</u>	<u>34,357.00</u>	<u>2,087,690.19</u>
Auxiliary Enterprises:			
Consolidated Housing and Dining System		222,871.82	222,871.82
Student Union		181,033.98	181,033.98
Armory-Gymnasium		84,538.18	84,538.18
Student Health Service		43,209.60	43,209.60
Intercollegiate Athletics		42,476.42	42,476.42
Parking Lot		9,599.35	9,599.35
Faculty Housing		8,629.23	8,629.23
Non-Resident Building Fee		3,277.13	3,277.13
Total Auxiliary Enterprises		<u>595,635.71</u>	<u>595,635.71</u>
Student Aid:			
Total Student Aid		<u>141,814.87</u>	<u>141,814.87</u>
Total Income	<u>2,053,333.19</u>	<u>771,807.58</u>	<u>2,825,140.77</u>
<u>Expenditures:</u>			
Educational and General:			
Administrative	157,689.34		157,689.34
General Expenses	143,706.87		143,706.87
Instructional	1,359,266.70		1,359,266.70
Extension and Public Services		24,594.09	24,594.09
Library	128,880.68		128,880.68
Operation and Maintenance of Physical Plant	332,565.32		332,565.32
Total Educational and General	<u>2,122,108.91</u>	<u>24,594.09</u>	<u>2,146,703.00</u>
Auxiliary Enterprises:			
Residence Halls and Married Student Apartments		102,182.83	102,182.83
Food Service		9,176.67	9,176.67
Student Union		141,518.45	141,518.45
Armory-Gymnasium		724.00	724.00
Student Health Service		44,336.19	44,336.19
Intercollegiate Athletics		48,462.56	48,462.56
Parking Facilities		693.95	693.95
Faculty Housing		1,209.43	1,209.43
Total Auxiliary Enterprises		<u>348,304.08</u>	<u>348,304.08</u>

NORTHERN MONTANA COLLEGE
STATEMENT OF INCOME AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 1972

Exhibit B

	<u>Current Funds</u>		<u>Total</u>
	<u>Unrestricted</u>	<u>Restricted</u>	
<u>Current Income:</u>			
Total Income, Forward	<u>2,053,333.19</u>	<u>771,807.58</u>	<u>2,825,140.77</u>
<u>Expenditures:</u>			
Total Education and General, Forward	<u>2,122,108.91</u>	<u>24,594.09</u>	<u>2,146,703.00</u>
Total Auxiliary Enterprises, Forward		<u>348,304.08</u>	<u>348,304.08</u>
Student Aid:			
Scholarships		25,848.75	25,848.75
Work Study Program - College		79,662.75	79,662.75
Education Opportunity Grants		24,987.80	24,987.80
Nursing Scholarships		<u>9,190.00</u>	<u>9,190.00</u>
Total Student Aid		<u>139,689.30</u>	<u>139,689.30</u>
Total Expenditures	<u>2,122,108.91</u>	<u>512,587.47</u>	<u>2,634,696.38</u>
Excess of Income over Expenditures	<u>(68,775.72)</u>	<u>259,220.11</u>	<u>190,444.39</u>

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

Cash Held Locally

Schedule A-1

Current Funds - Unrestricted

Contingent Revolving Fund	1,305.19
NMC Student Fee Earmarked Revenue Fund	47,871.40
Faculty House #2 Income Fund	<u>1,368.92</u>
Total Current Funds - Unrestricted	<u>50,545.51</u>

Current Funds - Restricted

Housing and Dining Other Income	5.90
Donaldson Hall	970.14
Morgan Hall	11,425.83
Married Students Apartments	26,245.59
Womens Dorm	2,349.82
Central Food Service	21,187.61
Store	27,258.79
Cafeteria	19,034.54
Change Fund - Cafeteria	75.00
Change Fund - Store	750.00
Change Fund - Recreation	70.00
Recreation Area	(1,337.22)
Parking Lot Facilities	1,596.15
NMC Faculty Housing Fund	3,643.57
Baseball	.46
Intramural	85.76
Swimming	(1,581.52)
Swimming Reserve	144.64
City Recreation	1,148.24
Health Insurance	565.80
Health Insurance - Student & Spouse	50.10
Health Insurance - Student, Spouse and Child	160.20
Health Insurance - Student and Child	29.40
Health Insurance Reserve	526.44
Booster and Faculty Scholarship	886.84
Athletics Scholarship	415.19
"M" Club Booster Scholarship	40.00
Farmers Grain Exchange Scholarship	100.00
Triangle Telephone & Hill County Electric Scholarships	200.00
Havre Federal Savings & Loan Scholarship	300.00
Valley Motor Supply Scholarship	100.00
Farmers Union Oil Co. Scholarship	300.00
Havre Business & Professional Women's Club	50.00
Don's Medical & Western Drug Scholarship	200.00
Klabunde Mobile Homes Scholarship	100.00
Elizabeth Gallus Scholarship	100.00
Dr. E. A. Morgan Good Citizenship Award	<u>172.84</u>
Subtotal Current Funds - Restricted, Forward	<u>117,370.11</u>

NORTHERN MONTANA COLLEGE

JUNE 30, 1972

Cash Held Locally (continued)

Schedule A-1

Current Funds - Restricted

Subtotal Current Funds - Restricted, Forward	117,370.11
Eleskay Democrat Scholarship	100.00
Donald G. Schwenke Memorial Scholarship	307.35
Mrs. Harold Ebaugh Memorial Scholarship	450.00
LeRoy Cech Memorial Scholarship	127.07
Max P. Kuhr Memorial	300.00
Lions' Swim Team Scholarship	(18.45)
Ora Reichelt Memorial Scholarship	60.01
P.T.A. Scholarship	111.00
P.T.A. Havre Council Scholarship	100.00
Circle K Scholarship	150.30
Math-Science Vending Scholarship	260.03
Class B & C Tournament Scholarship	679.20
Work Study - Regular	7,704.75
Work Study - Matching Funds	(127.52)
Nursing Scholarship - Federal	1.00
Total Current Funds - Restricted	<u>127,574.85</u>

Loan Funds

Jeanne Rhodes A.A.U.W. Loan Fund	230.00
Brusewitz Memorial Loan Fund	91.00
Herman Fligelman Indian Loan Fund	5.00
Gerald Gerard Memorial Loan Fund	40.00
Rose Hargrave Memorial Loan Fund	37.20
Holland-Rotary Rotating Loan Fund	35.00
Thomas F. Lee Memorial Loan Fund	28.33
Runkel Brothers Loan Fund	24.00
Dr. & Mrs. I.W. Stam Memorial Loan Fund	210.20
Jim Braley Loan Fund	11.00
DECA Loan Fund	325.00
"M" Club Loan Fund	400.00
Marguerite Taft Loan Fund	33.00
Charlotte Flickinger Memorial Loan Fund	143.25
Hilda Holtz Memorial Loan Fund	37.00
Morgan Hall House Council Loan Fund	648.70
Tom Harada Loan Fund	185.00
Leona Draegar Memorial Loan Fund	68.39
Donald Schwenke Memorial Loan Fund	232.00
Wesley McEwen Memorial Loan Fund	360.00
National Defense Loan Fund	4,408.93
Repayments to Institution	1,860.00
Funds Available for National Defense Loan Contributions	<u>174.78</u>
Subtotal Loan Funds, Forward	<u>9,587.78</u>

NORTHERN MONTANA COLLEGEJUNE 30, 1972Cash Held Locally (continued)Schedule A-1Loan Funds

Subtotal Loan Funds, Forward	9,587.78
Federal Nursing Loan Fund	65.00
Funds Available for Nursing Loan Matching	190.27
United Student Aid Funds, Inc.	50.00
Total Loan Funds	<u>9,893.05</u>

Plant Funds - Unexpended

Unexpended Building Fees - Non-Resident	<u>481.57</u>
---	---------------

Plant Funds - Retirement of Indebtedness

Armory-Gymnasium Rent	1,207.55
Armory-Gymnasium M & O	(190.08)
Armory-Gymnasium Building Fee Series A Bonds	608.35
Armory-Gymnasium Building Fee Series B Bonds	8.36
Total Plant Funds - Retirement of Indebtedness	<u>1,634.18</u>

Agency Funds

General Deposits	10.00
Personal Deposits	8,022.94
Room, Men's Deposits	2,519.71
Room, Women's Deposits	1,750.62
Housing Deposits	1,578.94
Overpayment of Application Fee	10.00
Bob Crowley Memorial Fund	25.00
Alumni Association	90.03
Alumni Association Life Membership	265.00
Faculty Flower Fund	9.60
Northern Montana College Foundation Fund	10.00
American Association of University Professors	14.73
Booster Club - Unallocated	80.72
Booster Club - Administrative	659.95
Booster Club - Ticket Sales	315.00
Booster Club - Class B Tournament Project	228.35
Masonic Welfare	54.78
Max Kuhr Memorial Fund	1,105.21
Library Gift - Senior Class of 1968	59.42
Library Gift - Montana I.E.F.	300.79
Library Gift - Miscellaneous	3.00
Placement Bureau	18.52
Commencement	900.09
Graduation Concessions	2,271.69
New Bus Reserve Fund	86.99
Subtotal Agency Funds, Forward	<u>20,391.08</u>

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

Cash Held Locally (continued)

Schedule A-1

Agency Funds

Subtotal Agency Funds, Forward	20,391.08
ACT & GED Tests	937.91
College Scholarship Service	61.00
Adult Basic Education - Holding	27.37
Bus Transportation	657.52
Havre Rotary Club - Holding	250.29
Walcheck Research Grant	188.86
Hill County Community Action	76.99
Walcheck - Dow Bacteriological Survey	251.12
Canadian Discount	110.01
Insurance Damage	574.94
Work Orders - Auto Diesel Clearing	3,090.47
Reading - Incidental Fee	218.18
Work Study Program - Administrative Expense	2,301.49
Credit Bureau Clearing Account	7.50
E.O.G. - Administrative Expense	691.18
N.D.L. - Administrative and Legal Expense	2,906.08
NMC Girls' Intercollegiate Team	111.42
Student Trip Insurance	181.00
Faculty Group Insurance - July	2,310.09
Faculty Group Insurance - August	2,310.09
Reimbursement to Helena	7.01
Northern Montana Co-op Shared Service Project	2,334.94
Wolf Point Intern Program	.50
Rocky Boy Aides - Career Opportunity	566.58
Nashua Intern Program	20.00
Adult Basic Education Grant	106.00
RCU Funded Survey	1,373.67
Training New Teachers Program	6,198.55
Guidance Counseling Workshop	8,177.60
National Science Foundation Grant	17,488.03
Indian Research - Indirect Costs	368.68
Indian Education Workshop - Indirect Costs	2,223.33
E.P.D.A. - Indirect Costs	.05
A.B.E. - Indirect Costs	8,708.37
Class C Tournament	33.52
Class B Tournament	5.78
Old Student Union Surplus	2,224.24
Commencement Speakers	255.75
Reading Conference	25.32
Outdoor Education Workshop	1,070.33
Subtotal Agency Funds, Forward	88,842.84

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

Cash Held Locally (continued)

Schedule A-1

Agency Funds

Subtotal Agency Funds, Forward	88,842.84
Biological Science Field Workshop	552.65
Environmental Science Workshop	929.49
Missouri River Float Workshop	3,051.06
Backpacking and Wilderness Survival Workshop	983.69
Badlands & Eastern Montana Awareness Workshop	646.37
Young Democrats at NMC	1,653.00
Miss NMC Pageant	150.00
ASNMC Vending Machines	4,746.63
Student Activity, Regular Session	1,780.20
Student Activity, Summer Session	3,152.25
Annual	1,204.30
Student Activity Investment Fund	806.87
Central Board Sponsored Activities	573.16
Cultural Affairs Committee	141.00
Public Information and Havre Affairs	1,039.02
Sophomore Class	22.79
Junior Class	173.58
Senior Class	85.24
Circle K Organization	(2.43)
Sigma Tau Sigma	.55
Spurettes	47.72
Student Affiliated Council	.52
Morgan Hall Council	2,755.95
Tau Kappa	(35.69)
Associated Women Students	183.26
Women's Residence House Council	1,835.94
Married Students Association	5.26
Women's Residence House Council	376.73
Women's Residence Change Fund	30.00
Chapel Fund	42.25
Footlights	120.43
Choir	45.66
NoMoCo	271.95
Publications Board	678.60
Choir Uniforms	5.42
NMC Flying Club	24.50
Art Club	95.10
DECA Club	.32
NMC Debate - Oratory Society	201.60
Industrial Arts Club	535.92
Subtotal Agency Funds, Forward	117,753.70

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

Cash Held Locally (Continued)

Schedule A-1

Agency Funds

Subtotal Agency Funds, Forward	117,753.70
"M" Club	8.09
MSEA	292.88
Mu Sigma	5.77
Science Club	22.36
Western Club	(601.41)
NMC History and Social Science	169.86
P.E. Club	245.75
Indian Club	(28.07)
Math Club	3.41
Chess Club	37.04
Industrial Vocational Exposition	55.13
Alpha Psi Omega	81.17
"M" Club Reserve	13.98
Veterans Club	4.29
Art Exhibit	179.67
Film Arts Committee	150.00
Guidance Counselor Program	231.43
Vocational Rehabilitation	(1.29)
Student Activities	(71.39)
Total Agency Funds	<u>118,552.37</u>

Grand Total Cash Held Locally

308,681.53

Proof of Cash Held Locally

Cash in Change Funds	925.00
Cash on Hand (Note 1)	84,648.54
Cash in First National Bank in Havre	58,175.57
Cash in Citizens Bank of Montana	<u>164,932.42</u>
Proof of Cash Held Locally	<u>308,681.53</u>

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

Schedule A-2

Investments

Controlled Locally:

Certificates of Deposit - First National Bank in Havre	290,528.13
Certificates of Deposit - Citizens Bank of Montana	9,490.34
U.S. Government Obligations	32,952.00
Controlled by State Treasurer as Trustee	55,000.00
Controlled by First National Bank and Trust Company of Helena as Trustee	<u>362,516.12</u>
	<u>750,486.59</u>

Schedule A-3

Summary of Changes in Current-Unrestricted Fund Balances

Balance, July 1, 1971	484,657.60
Less: Expenditures per Statement	2,146,703.00
Income per Statement	<u>2,087,690.19</u>
Excess of Expenditures over Income	59,012.81
Reversions and Warrant Cancellations	1,709.82
Accrual Basis Adjustments	<u>115.00</u>
	<u>60,837.63</u>
	423,819.97
Add: Net Income from Current-Unrestricted Accounts listed elsewhere	<u>1,863.53</u>
Balance, June 30, 1972	<u>425,683.50</u>

NORTHERN MONTANA COLLEGE

JUNE 30, 1972

Schedule A-4

Summary of Changes in Current-Restricted Fund Balances

Balance, July 1, 1971		211,703.66
Add: Income per Statement	737,450.58	
Expenditures per Statement	<u>487,993.38</u>	
Excess of Income over Expenditures		<u>249,457.20</u>
		461,160.86
Less: Net Income from Current-Unrestricted		
Accounts included above	1,816.26	
Accrual Basis Adjustment	14,624.96	
Net Transfers	26,732.38	
Investment	<u>81,580.00</u>	<u>124,753.60</u>
Balance, June 30, 1972		<u>336,407.26</u>

Schedule A-5

Reconciliation of Loan Fund Balances

Balance per General Ledger		50,501.92
Add: Reclassification of Income and Liabilities		
Interest Income		
Cash	8,644.16	
Cancelled	<u>13,401.08</u>	
Total Income	22,045.24	
National Defense Loan Federal Capital		
Contributions Authorized	382,896.25	
N.I.H Funded Grant - Nursing		
Student Loan	<u>24,551.00</u>	<u>429,492.49</u>
		479,994.41
Less: Reclassification of Expenditures		
Routine Expenses and Collection Costs	9,840.58	
Costs of Loan Principal and Interest		
Cancelled	<u>112,789.26</u>	<u>122,629.84</u>
Balance, June 30, 1972		<u>357,364.57</u>

NORTHERN MONTANA COLLEGE

JUNE 30, 1972

Schedule A-6

Summary of Changes in Plant Fund Balances

Balance, July 1, 1971		(1,354,179.43)
Add: Increase in Unexpended Building Fees, Non-Resident		3,517.48
Increase in Reserves for transfers to:		
Women's New Dorm - Furniture and Fixtures	56,700.00	
Fed. & Priv. Rev. Const. Grant 4105300	15,664.00	
A & E Const. Adv. Acct. - Preplan new Library	20,000.00	
A & E Const. Adv. Acct. - Repair; Renovate Buildings	59,500.00	
A & E Const. Acct. - Const. Phy. Plant Vehicle and Equipment Building	<u>25,000.00</u>	<u>176,864.00</u>
		(1,173,797.95)
Less: Decrease in Reserves from Expenditures for:		
Women's New Dorm - Furniture and Fixtures	56,700.00	
Fed. & Priv. Rev. Const. Grant 4105300	3,298.79	
Miscellaneous Renovation & Improvements	95,524.14	
Const. Phy. Plant Vehicle & Equip. Building	24,130.17	
Food Service and Dorm	<u>61,566.82</u>	<u>241,219.92</u>
Balance, June 30, 1972		<u>(1,415,017.87)</u>

Schedule A-7

Summary of Changes in Invested In Plant Fund Balances

Balance, July 1, 1971		8,670,313.46
Add: Increase in Capital Asset Inventory:		
Furniture and Fixtures	63,328.12	
Machines and Appliances	53,499.02	
Scientific Apparatus	20,600.38	
Motor Vehicles	620.00	
Library and Reference Books	59,874.18	
Land and Land Improvements	26,727.57	
Buildings	<u>90,051.56</u>	
Total Increase	314,700.83	
Decrease in Liabilities	<u>57,379.79</u>	<u>372,080.62</u>
		9,042,394.08
Less: Accounts Charged Off:		
Hand Tools and Petty Equipment	32,193.15	
Library of Congress Cards	<u>6,016.86</u>	<u>38,210.01</u>
Balance, June 30, 1972		<u>9,004,184.07</u>

NORTHERN MONTANA COLLEGE
JUNE 30, 1972

Schedule A-8

Summary of Changes in Retirement of Indebtedness Fund Balances

Balance, July 1, 1971		532,181.76
Add: Income from Investments		<u>26,419.21</u>
		558,600.97
Less: Expenditures (Interest)	68,126.66	
Net Transfers	<u>3,095.57</u>	<u>71,222.23</u>
Balance, June 30, 1972		<u><u>487,378.74</u></u>

Schedule A-9

Summary of Changes in Agency Fund Balances

Balance, July 1, 1971		133,885.85
Add: Income	573,687.51	
Less Expenditures	<u>538,826.23</u>	
Excess of Income over Expenditures	34,861.28	
Increase in Receivables	29,976.43	
Increase in Investments	3,296.53	
Decrease in Payables	<u>250.00</u>	<u>68,384.24</u>
		202,270.09
Less: Net Transfers	7,933.06	
Net Investments	<u>3,296.53</u>	<u>11,229.59</u>
Balance, June 30, 1972		<u><u>191,040.50</u></u>

NORTHERN MONTANA COLLEGE
NOTES IN FINANCIAL STATEMENTS
JUNE 30, 1972

Note 1 - Cash on Hand The books remained open for several days following the close of the year. During this period, deposits in the amount of \$35,515.25 were made and recorded as cash on hand as of June 30, 1972. None of these deposits affected income or expenditures.

Note 2 - Investment in Plant The College does not maintain control over the location of plant assets. Because of this, we were unable to properly test the records relating to plant assets.

Note 3 - Bonds Payable Bonds payable through the State Treasurer's office were redeemed in June of 1972, but as of the audit date, information had not been received for the College to properly record the transactions. Our examination indicated that \$55,000.00 of Armory-Gymnasium Series B Bonds were redeemed in June of 1972. Interest and early redemption premiums amounting to \$8,607.00 were also paid on these bonds. None of these transactions appear in this report. ✓

NORTHERN MONTANA COLLEGE

COLLEGE WORK-STUDY PROGRAM REPORT

JUNE 30, 1972

DOUGLAS F. EIGEMAN & COMPANY

Certified Public Accountants

Post Office Box 2749

GREAT FALLS, MONTANA 59401

HOLIDAY VILLAGE

PHONE 453-2463

September 29, 1972

State of Montana
Office of Legislative Auditor
Helena, Montana

In the course of our audit of the financial statements of Northern Montana College we reviewed the College Work-Study Program. We tested the records for the period July 1, 1968 through June 30, 1972.

Our examination included testing of the payroll records and the records of student application for participation in the program. These tests indicated that the program is being administered properly in all areas.

Douglas F. Eigeman & Co.

NORTHERN MONTANA COLLEGE
SUMMARY OF COLLEGE WORK-STUDY FUND TRANSACTIONS
FOR THE PERIOD JULY 1, 1968 THROUGH JUNE 30, 1972

Fund Balance, July 1, 1968		25,890.74
<u>Receipts</u>		
Federal Funds	229,939.00	
Matching Funds	<u>36,392.84</u>	<u>266,331.84</u>
		292,222.58
<u>Expenditures</u>		
Federal Funds	248,124.99	
Matching Funds	<u>36,392.84</u>	<u>284,517.83</u> *
Fund Balance, June 30, 1972		<u><u>7,704.75</u></u>

* This does not include an accrued payroll expenditure of \$5,072.42.

